mainly due to sluggish capital market conditions.

☆ On the external side, the export growth has been sluggish which has been aggravated by fall in world export growth. Export growth at (—) 2.88% has shown a substantial decline during April—December 1998.

☆ Demand constraints constitute one of the important reasons for decline in industrial growth. While there has been decline in growth in textiles on account of slowdown in consumption demand, cement and steel have been affected by lack of investment demand.

☆ Indian corporate has also been affected by competition from cheap imports, owing to devaluation of currencies in East Asia and Brazil.

(c) The Government has announced various measures for correcting sectoral policies and to induce faster growth.

The steps taken to improve industrial growth are:

1. Special package announced for revival of growth in exports.
2. Repeal of ULCRA and incentive to house ownership.
3. The Government has allowed buy back of shares and inter-corporate loans to boost investment and revive the capital market.

In the Budget for 1999-2000, various measures have been announced for revival of industry to accelerate industrial growth. These include:—

(i) New Competition Laws to replace Monopolies and Trade Restrictive Practices Act.

(ii) The list of automatic approval for FDI will be expanded to cover important industrial and service sectors.

(iii) A Foreign Investment Implementation Authority within the Ministry of Industry has been announced for quicker investment inflows and speedier implementation of projects.

(iv) Automatic approval for investment upto 100% by NRIs, OCBs for all items except those which attract notified equity cap/compulsory licensing/public sector reservation under Industrial Policy/reservation for small scale sector.

(v) A major overhaul of excise duty rates from present 11 rates reduced to only 3.

(vi) Restoration of 100% MODVAT credit.

(vii) 7 major and valorem rates of custom duty reduced to 5 basic rates.

(viii) Massive thrust for road construction financed by rupee one per litre surcharge on diesel.

(ix) Credit Insurance Scheme to be launched for SSI units.

(x) Fisaul package consisting of custom duty reduction announced for Information technology sector.

(xi) R&D activity provided further income tax concessions.

(xii) A comprehensive package for the housing sector has been announced. A boost to housing will increase the demand for cement, steel and other construction material.

(xiii) The Reserve Bank of India has cut Bank rate, slashed Repo rate and brought down CRR to reduce the interest cost of funds.

Village industries

1278. SHRI E. BALANANDAN: Will the Minister of INDUSTRY be pleased to state:

(a) the State-wise number of village industries, together with registered number of institutions; and

(b) the schemes under Government's consideration to develop village industries in various States; State-wise?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) The State-wise number of village industries (V.Is) together with number of registered institutions under the Khadi and Village Industries Commission is given in the enclosed Statement. (*See* below).

(b) At present, no new schemes are under consideration of the Government.

Statement

State-wise No. of Village Industries, V.I. Units (Indl.) and Registered Institutions under the Khadi & Village Industries Commission

S. No.	State & Union Territories	No. Of village Industries	No. of Regd. Inst.	No. of V.I. Units (Indl.)
1.	**STATES**			
1.	Andhra Pradesh	25	277	112680
2.	Arunachal Pradesh	2	2	71
3.	Assam	19	35	7252
4.	Bihar	20	85	41786
5.	Goa	20	20	4146
6.	Gujarat	19	33	4080
7.	Haryana	22	315	28610
8.	Himachal Pradesh	25	55	17193
9.	Jammu & Kashmir	21	22	21800
10.	Karnataka	25	275	13950
11.	Kerala	25	35	12297
12.	Madhya Pradesh	25	135	17415
13.	Maharashtra	26	19	37222
14.	Manipur	21	963	13470
15.	Meghalaya	18	1	6773
16.	Mizoram	21	—	4145
17.	Nagaland	18	5	10527
18.	Orissa	27	74	—
19.	Punjab	22	115	39408
20.	Rajasthan	24	117	106413
21.	Sikkim	14	—	1667
22.	Tamil Nadu	25	127	36946
23.	Tripura	18	5	20131
24.	Uttar Pradesh	26	2060	140155
25.	West Bengal	26	183	81283

S. No.	State & Union Territories	No. Of village Industries	No. of Regd. Inst.	No. of V.I. Units (Indl.)
II.	**UNION TERRITORIES**			
1.	Andaman & Nicobar	10	—	41
2.	Chandigrah	12	—	404
3.	Delhi	25	10	5369
4.	Lakshdweep	—	—	—
5.	Pondicherry	19	1	44
	TOTAL	**600**	**4969**	**785278**

Techno-economic studies in North-East

1279. DR. ARUN KUMAR SARMA: Will the Minister of INDUSTRY be pleased to state:

(a) whether a grant of Rupees Twenty crores has been provided to the North East Development Financial Corporation by Government through North Eastern Council to fund techno-economic studies for industries and infrastructure best suited to this region; and

(b) if so, the studies conducted, so far, and the findings thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) and (b) Yes, Sir. A one time grant of Rs. 20 crores has been given to the North Eastern Development Finance Corporation through North Eastern Council. The North Eastern Development Finance Corporation has constituted an Advisory Committee to advise on the studies to be undertaken.

Fall in business confidence level

1280. SHRI SANTOSH BAGRODIA: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government are aware that business confidence level as measured by NCAER's index has fallen to a four-year low;

(b) whether Government have any plan to revive the industrial climate in the country; and

(c) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) The National Council of Applied Economic Research (NCAER) conducts a survey every quarter to gauge the business sentiments underlaying Indian industry. According to the latest survey conducted in December, 1998-January, 1999, the Business Confidence Index (BCI) has fallen marginally compared to the earlier round.

(b) and (c) The Government has announced various measures for correcting sectoral policies and to induce faster growth.

The steps taken to improve industrial growth are:—

1. Special package announced for revival of growth in exports.
2. Repeal of ULCRA and incentive to house ownership.
2. The Government has allowed buy back of shares and inter-corporate loans to boost investment and revive the capital market.

In the Budget for 1999-2000, various measures have been announced for revival of industry to accelerate industrial growth. These include:—

(i) New Competition Laws to replace Monopolies and Trade Restrictive Practices Act.